



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

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First District

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Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

December 12, 2006

The Honorable Board of Supervisors
County of Los Angeles 383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF A STATE OF CALIFORNIA AGREEMENT FOR THE
HEALTH CARE WORKFORCE DEVELOPMENT PROGRAM
(All Districts) (3 Votes)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Approve and authorize the Director of Health Services, or his designee, to sign an Agreement with the State of California, Exhibit I, to accept a \$5.700 million grant for the Health Care Workforce Development Program (HCWDP), effective July 1, 2006 through December 31, 2007.
2. Authorize the Director of Health Services, or his designee, to increase expenditures of Tobacco Settlement funds for the HCWDP by \$1.584 million, from \$0.900 million previously authorized by your Board to \$2.484 million, as included in the Fiscal Year 2006-07 Final Budget.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

On June 30, 2006, the Governor signed the 2006-07 Budget Act which authorizes \$5.700 million State general funds to the HCWDP which was previously supported with Governor's discretionary Workforce Investment Act funds. Approval of this action will allow the HCWDP to continue the training and education programs that include Board-approved contracts with local colleges to prepare Department of Health Services (DHS) employees for health professions critically needed by DHS and to provide skill enhancement courses.

IMPLEMENTATION OF STRATEGIC PLAN GOALS:

The recommended action is consistent with Goal #2 of the County Strategic Plan, Workforce Excellence, to enhance the quality and productivity of the County workforce.

FISCAL IMPACT/FINANCING:

The total FY 2006-07 budget for HCWDP is \$8.584 million, of which \$5.700 million is State funded, \$0.400 million is offset by a State grant for nursing education, and \$2.484 million (\$1.584 million of which is requested in this letter) is County funded from Tobacco Settlement funds. Although the Tobacco Settlement funding is already

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Director and Chief Medical Officer

John R. Cochran III
Chief Deputy Director

William Loos, MD
Acting Senior Medical Officer

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reflected in the FY 06-07 budget, the Board's separate action is necessary because the Department only has authority to expend up to \$0.900 million (Board approved on 3/21/06). The approval of the \$1.584 million authorizes the Department to expend the full \$2.484 million included in the FY 06-07 Final Budget. Given the fiscal outlook for FY 2007-08 and beyond, the Department will evaluate the Program within 90 days, and assess future County allocations beyond the anticipated State \$5.767 million funding for next fiscal year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Under the terms and conditions of the 1115 Medicaid Waiver Demonstration Project (Waiver), the State and County were to fund \$40.000 million at a 2 to 1 sharing ratio: \$26.667 million from the State and \$13.333 million from the County. State funds were not available until late June 2002; therefore, the \$40.000 million could not be completely spent by June 30, 2005, when the Waiver ended.

On March 21, 2006, the Board authorized the expenditure of \$0.900 million in County Tobacco Settlement funds for FY 2006-07. This action authorizes expenditure of an additional \$1.584 million of County Tobacco Settlement funds for a total of \$2.484 million in FY 2006-07, and a revised total County share of \$15.455 million. The full \$2.484 in appropriation authority in the DHS budget has already been approved by the Board. DHS is recommending Board approval to maintain programs to fill critical nursing and allied health professions that are essential to DHS in retaining stable employment and improving the quality and access to healthcare services. Since 2003-04, HCWDP expenditures have grown as the multi-year nursing and other allied health programs have expanded. Currently, HCWDP is operating five nursing programs, five medical record coding programs, and a psychiatric technician program, accounting for the current budget request. Only \$15.200 million of the State's share of \$26.667 million had been expended by the end of FY 2005-06. Of the remaining \$11.467 million State funds, \$5.700 million has been allocated from State general funds for this agreement term (FY 2006-07). HCWDP has notified the State that they expect to fully expend these funds during FY 2006-07, and the remaining \$5.767 million will be requested to cover FY 2007-08.

The HCWDP continues to focus its training efforts to fill critical shortages such as nursing, medical record coders, and psychiatric technicians. HCWDP coordinates with facility administrators to minimize impact on patient services when employees are released to attend training programs.

Out of the approximately 19,000 permanent DHS workers who provide direct patient care or allied services, approximately 7,500 have already received one or more training services since the program's inception in July 2001. As a result of this year's funding, an additional 2,100 DHS employees will be enrolled into the program, and approximately 4,100 training activities will be provided. This number includes approximately 150 employees who have remained in long-term nursing and medical record coder programs that began in FY 2005-06.

County Counsel has reviewed the Agreement (Exhibit I) as to form.

Attachment A provides additional information.

Attachment B is the Grant Management Statement for grant awards exceeding \$100,000.

CONTRACTING PROCESS:

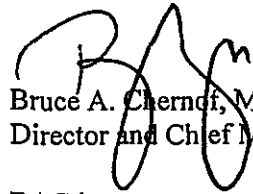
Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The long-term training and education programs will continue uninterrupted and additional DHS participants will receive training services.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Director and Chief Medical Officer

BAC:kg
HCWDP StateGrant.wpd

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT

1. Type of Service:

In collaboration with SEIU, the Health Care Workforce Development Program provides *training and* education programs to prepare Department of Health Services (DHS) employees for health professions critically needed by DHS and to provide skill enhancement courses.

2. Agency Address, Contact Person, and Telephone Number(s):

State of California
Employment Development Department
P.O. Box 826880, MIC 50
Sacramento, California 94280-0001
Attention: Cheryl Kemp, Project Manager
Telephone: (916) 651-6074
Fax: (916) 653-0597
E-mail: ckemp@edd.ca.gov

3. Term:

July 1, 2006 through December 31, 2007.

4. Financial Information:

The total Fiscal Year (FY) 2006-07 budget for HCWDP is \$8.584 million, of which \$5.700 million is State funded, \$0.400 million is offset by a State grant for nursing education, and \$2.484 million is County funded from Tobacco Settlement funds. Funding is included in the FY 2006-07 Final Budget. Given the fiscal outlook for FY 2007-08 and beyond, the Department will evaluate the Program with 90 days, and assess future County allocations beyond the anticipated State \$5.767 million funding.

5. Geographic Area:

All Districts.

6. Accountable for Monitoring and Evaluation:

Health Care Workforce Development Program Administration will be responsible for monitoring the agreement in its entirety.

7. Approvals:

Health Care Workforce Development Program: Diane Factor, Director

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form): Elizabeth Friedman, Senior Deputy County Counsel

Los Angeles County Chief Administrative Office
Grant Management Statement for Grants Exceeding \$100,000

Department: Health Services

Grant Project Title and Description

LADHS Health Care Workforce Development Program - The funds will be utilized to maintain programs at the current level which is essential to fill critical nursing and allied health professions.

Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
State of CA - EDD	State General Funds	N/A

Total Amount of Grant Funding: \$5.7 Million County Match Requirements \$2.484 Million
 Grant Period: 18 months Begin Date: 07/01/06 End Date: 12/31/07
 Number of Personnel Hired Under this Grant: N/A Full Time Part Time

Obligations Imposed on the County When the Grant Expires

Will all personnel hired for this program be informed this is a grant funded program? Yes _____ No _____

Will all personnel hired for this program be placed on temporary ("N") items? Yes _____ No _____

Is the County obligated to continue this program after the grant expires Yes _____ No X

If the County is not obligated to continue this program after the grant expires, the Department will:

a). Absorb the program cost without reducing other services Yes _____ No _____

b). Identify other revenue sources Yes _____ No _____

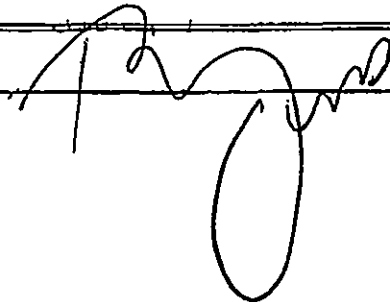
(Describe)

c). Eliminate or reduce, as appropriate, positions/program costs funded by this grant. Yes _____ No _____

Impact of additional personnel on existing space: None

Other requirements not mentioned above None

Department Head Signature



Date 12.1.0

FACT SHEET

SUBJECT: APPROVAL OF A STATE OF CALIFORNIA AGREEMENT FOR THE HEALTH CARE WORKFORCE DEVELOPMENT PROGRAM

All Districts.

CONTACT PERSONS:

Diane Factor, Director
Health Care Workforce Development Program
Telephone: (213) 639-2220
e-mail: dfactor@ladhs.org

SUBJECT:

Agreement with the State of California to accept \$5.700 million grant to continue the training and education programs for Department of Health Services (DHS) employees.

REQUESTED ACTIONS:

You are being asked to approve and authorize the Director of Health Services, or his designee, to sign an Agreement with the State of California to accept a \$5.700 million grant for the Health Care Workforce Development Program (HCWDP), effective July 1, 2006 through December 31, 2007; and increase in HCWDP expenditures of Tobacco Settlement funds by \$1.584 million, from \$0.900 million previously authorized by your Board to \$2.484 million, as included in the Fiscal Year 2006-07 Final Budget.

PROGRAM:

The HCWDP continues to focus its training efforts to fill critical shortages such as nursing, medical record coders, and psychiatric technicians. As a result of this year's funding, an additional 2,100 DHS employees will be enrolled into the program, and approximately 4,100 training activities will be provided. This includes approximately 150 employees who have remained in long-term nursing and medical record coder programs that began in Fiscal Year (FY) 2005-06.

CONTRACT PROGRAM AMOUNT:

The total FY 2006-07 Budget for HCWDP is \$8.584 million, of which \$5.700 million is State funded, \$0.400 million is offset by a State grant for nursing education, and \$2.484 million is County funded from Tobacco Settlement funds. Given the fiscal outlook for FY 2007-08 and beyond, the Department will evaluate the Program within 90 days, and assess future County allocations beyond the anticipated State \$5.767 million funding for next fiscal year.

FACT SHEET (cont'd)

TERMINATION PROVISION:

Agreement may be terminated by either party by providing a 90-day advance written notice

TERM OF CONTRACT:

July 1, 2006 through December 31, 2007.

AUTOMATIC RENEWAL:

No.

FIRST BOARD-APPROVED CONTRACTS:

Not Applicable.

EXPIRATION OF CURRENT AGREEMENT:

Not Applicable.

RETROACTIVE AGREEMENT:

Yes.

REQUEST FOR PROPOSALS (RFP) PROCESS:

Not Applicable.

SOLE SOURCE:

Not Applicable.

SMALL BUSINESS WEB SITE:

Not Applicable.

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